

## Message Text

CONFIDENTIAL

PAGE 01 NASSAU 01316 301433Z  
ACTION ARA-14

INFO OCT-01 ISO-00 SS-15 NSC-05 /035 W  
-----113744 301439Z /40  
P 292052Z AUG 77  
FM AMEMBASSY NASSAU  
TO SECSTATE WASHDC PRIORITY 9751

C O N F I D E N T I A L NASSAU 1316

FOR ARA/CAR SURBER

E.O. 11652: GDS  
TAGS: PGOV BF  
SUBJ: PINDLING'S CALL ON PRESIDENT - TOPICS FOR DISCUSSION

1. AS PER YOUR REQUEST EMBASSY SUBMITS FOLLOWING SUGGESTIONS ON DISCUSSION TOPICS FOR P.M. PINDLING'S MEETING WITH PRESIDENT. WE WOULD PREFER THAT MEETING - WHICH WE ASSUME WILL BE BRIEF - FOCUS ON BROADER ISSUES, I.E., PRELIMINARY REVIEW OF AMB. YOUNG'S FINDINGS ON HIS RECENT CARIBBEAN TOUR FROM WHICH BAHAMAS WAS OMITTED AND OUR INTENTIONS WITH REGARD TO FOLLOWUP PLUS BRIEF REVIEW OF STATUS OF U.S.-CUBAN RELATIONS AND HOW WE SEE THOSE RELATIONS DEVELOPING - (BOTH SUBJECT OF CONSIDERABLE INTEREST AND IMPORTANCE TO BAHAMAS) RATHER THAN SPECIFIC BI-LATERAL ISSUES.

2. FOR OPENERS, WE SUGGEST THAT THE PRESIDENT CONGRATULATE PINDLING PERSONALLY (A CONGRATULATORY TELEGRAM WAS SENT IN HIS NAME) ON HIS PARTY'S RECENT LANDSLIDE VICTORY IN THE JULY GENERAL ELECTIONS, WHICH UNDERLINED THE POLITICAL STABILITY AND MATURITY OF OUR THIRD CLOSEST NEIGHBOR. THE PRIME MINISTER SHOULD ALSO PERHAPS BE COMMENDED NOT ONLY FOR HAVING LED THE "QUIET REVOLUTION" OF THE 1960'S WHICH ACHIEVED RACIAL EQUALITY IN THE EVENTUALLY INDEPENDENCE FOR THE BAHAMAS BUT FOR THE LEADERSHIP HE HAS PROVIDED TO THE NEW NATION WHOSE DEMOCRATIC PROCESSES, RESPECT FOR  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 NASSAU 01316 301433Z

HUMAN RIGHTS AND STANDARD OF LIVING (THIRD HIGHEST PER CAPITA INCOME IN THE HEMISPHERE) MAKE IT AN EXAMPLE FOR OTHER STATES TO ASPIRE TO. IT MIGHT BE SUGGESTED TOO THAT WE WOULD WELCOME A MORE ACTIVE BAHAMIAN PARTICIPATION IN REGIONAL, HEMISPHERIC, AND INTERNATIONAL FORA AS WE FEEL THAT THE BAHAMAS COULD MAKE A REAL AND WORTHWHILE CONTRIBUTION.

3. PINDLING WILL NO DOUBT STRESS THE ECONOMIC PROBLEMS BESETTING THE BAHAMAS - HIGH UNEMPLOYMENT PARTICULARLY AMONG YOUTH, LACK OF JOBS - AND EXPRESS IN GENERAL TERMS NEED FOR ASSISTANCE. IN THIS REGARD HE MIGHT SPECIFICALLY MAKE APPEAL FOR INCREASED AIRLINE ROUTES FROM U.S. TO BAHAMAS, AND DESIRABILITY OF REPEAL OF SECTION 602 OF THE TAX REFORM ACT OF 1976 CONCERNING DEDUCTIONS FOR ATTENDING FOREIGN CONVENTIONS, BOTH OF WHICH VITALLY AFFECT THIS COUNTRY'S MAIN INDUSTRY, TOURISM, WHICH ACCOUNTS FOR 77 PERCENT OF THE BAHAMIAN G.D.P. HE MIGHT ALSO EXPRESS REGRET RE THE UPCOMING DEMISE OF THE BARTAD AGREEMENT. GIVEN PRESENT CONGRESSIONAL CONSTRAINTS THE BAHAMAS DOES NOT QUALIFY FOR BILATERAL ECONOMIC ASSISTANCE EVEN THOUGH THE ESTIMATED PER CAPITA INCOME OF \$2,500 (IMF ESTIMATE) IS IN FACT CONSIDERABLY DISTORTED BY THE PRESENCE HERE OF A WEALTHY AND SIZEABLE EXPATRIATE COMMUNITY. WHILE EMBASSY SHARES GCOB VIEW THAT PASSENGER SEATS ARE NOT ADEQUATE FOR THIS MARKET, THE DEPARTMENT WILL HAVE TO GET AN UPDATE ON STATUS OF BAHAMIAN REQUEST FOR ADDITIONAL CARRIERS (SEE DEPT'S 122686 OF JUNE 2, 1977). LIKEWISE WE HAVE NO FEEL FOR PROPOSALS AND PROSPECTS IN CONGRESS TO REPEAL SECTION 602. FINALLY, BARTAD WAS AND REMAINS "SUI GENERIS", WE HAVE ALREADY PROPOSED TO GCOB A ONE YEAR EXTENSION TO UTILIZE REMAINING ALLOCATED FUNDS, AND THERE IS NO POSSIBILITY - GIVEN CONGRESSIONAL TEMPER - OF ADDITIONAL U.S. FUNDING.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 NASSAU 01316 301433Z

4. AS STATED EARLIER WE SEE NEITHER ANY REASON NOR ADVANTAGE TO BE GAINED BY RAISING ANY OF THE BILATERAL ISSUES CONFRONTING US AND PRELIMINARY DISCUSSION WITH MINEXTAFF PERMSEC RUSSELL (BOTH P.M. AND EXTERNAL AFFAIRS MINISTER ADDERLEY ARE PRESENTLY VACATIONING OFF ISLAND) INDICATES THAT BAHAMIAN SIDE TOO WOULD PREFER TO STICK TO HIGHER GROUND. NEVERTHELESS, HERE THEY ARE IN ORDER OF PMPORTANCE AS SEEN FROM NASSAU.

A) FACILITIES NEGOTIATIONS - WE ARE STILL AWAITING A RESPONSE TO OUR OFFER DATED DECEMBER 24, 1975 AND HOPE THAT WITH THE BAHAMIAN ELECTIONS BEHIND AND THE FORMATION OF A NEW CABINET WE CAN BEGIN DISCUSSIONS THIS FALL.

B) IRS ACTIVITIES - ECHANGE OF INFORMATION AGREEMENT. WE HAVE, THANKS TO GCOB, BEEN ABLE TO ESTABLISH A TEMPORARY AND WORKABLE PROCEDURE WHEREBY TDY IRS PERSONNEL UNDER EMBASSY AEGIS, ARE PERFORMING THEIR STATUTORY (AND LEGITIMATE) FUNCTIONS IN BAHAMAS. DEPENDING UPON AN INTERGOVERNMENTAL DECISION I.E., MODE REVIEW, WE MAY REQUEST GCOB PERMISSION TO ESTABLISH A PERMANENT IRS OFFICE IN NASSAU TO COVER BAHAMAS AND NORTHERN CARIBBEAN. WE UNDERSTAND THAT THE DEPARTMENT OF JUSTICE AND TREASURY HAVE NOT YET REACHED AN AGREEMENT ON A PROPOSED EXCHANGE

OF INFORMATION TREATY TO PRESENT TO THE GCOB FOR THEIR  
CONSIDERATION.

C) FISHERIES AGREEMENT - WE SENT A NOTE ON AUGUST 15,  
1977 TO GCOB REQUESTING THAT TALKS BE HELD ON FISHING IN  
EACH OTHER'S EXCLUSIVE FISHERY ZONES. THERE HAS BEEN  
NO RESPONSE TO DATE. ON THIS POINT AN APPARENT CONTINUING  
MISAPPREHENSION IN DEPT THAT SPINY LOBSTER ISSUE REMAINS  
NEGOTIABLE IS TO SAY THE LEAST MOST UNFORTUNATE AND  
SHOULD BE DISPELLED.

D) POTENTIAL PROBLEM WITH BLAKE PLATEAU - EVENTUAL  
MUTUALLY ACCEPTABLE RESOLUTION TO U.S. AND BAHAMIAN OVER-  
LAPPING CLAIMS IN AREA NORTH OF BAHAMAS IN BLAKE PLATEAU  
REMAINS VERY MUCH IN DOUBT WITH OBVIOUS AND NEGATIVE  
POTENTIAL FOR BILATERAL RELATIONS.  
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 NASSAU 01316 301433Z

E) NARCOTICS AND OTHER LAW ENFORCEMENT COOPERATION -  
THE BAHAMAS SHOULD BE COMMENDED FOR THEIR CLOSE, EXCELLENT  
AND ALMOST DAILY COOPERATION WITH DEA AND OTHER U.S. LAW  
ENFORCEMENT AGENCIES.

5. IN CONCLUSION PRESIDENT MAY WISH TO EXPRESS SURPRISE  
AND REGRET THAT THIS WAS PINDLING'S FIRST WHITE HOUSE  
VISIT AND HOPE FOR MORE FREQUENT CONSULTATIONS. (YOU WILL  
RECALL THAT PINDLING TOLD ME IN JULY THAT HE HAD NEVER  
BEEN RECEIVED BY A U.S. PRESIDENT AS LAST TWO INCUMBENTS  
"DIDN'T LIKE BLACKS.") LIKEWISE MENTION SHOULD BE MADE  
OF AMBASSADOR DESIGNATE SVHWARTZ WHO WILL BE ARRIVING  
SHORTLY IN NASSAU AND WHO HAS THE PRESIDENT'S COMPLETE  
CONFIDENCE.

6. IN BIOGRAPHICAL PAPER ACCOMPANING BRIEFING PAPER  
EMPHASIS SHOULD BE PLACED ON FACT THAT PINDLING IS A HIGHLY  
EDUCATED AND CONFIDENT LEADER, AS WELL AS A CONSUMATE  
POLITICIAN WHO AS A FIGHTER FOR EQUAL RIGHTS AND FIRST  
PRIME MINISTER HAS EARNED AND MAINTAINED THE ESTEEM AND  
AFFECTION OF HIS PEOPLE. IT SHOULD ALSO BE POINTED OUT  
THAT HE PUBLICLY STATED THAT HE AND HIS FAMILY STAYED UP  
LATE IN THE NIGHT UNTIL PRES. CARTER'S VICTORY BECAME CERTAIN  
LAST NOVEMBER AND THAT HE EXPRESSED HIMSELF IN NO UNCERTAIN  
TERMS AS HIGHLY PLEASED WITH THAT RESULT.  
TAYLOR

CONFIDENTIAL

NNN



## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PRESIDENT, DIPLOMATIC DISCUSSIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 29-Aug-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977NASSAU01316  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770313-0434  
**Format:** TEL  
**From:** NASSAU  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19770813/aaaaakdw.tel  
**Line Count:** 162  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 23f95751-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION ARA  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 23-Nov-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1450235  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PINDLING'S CALL ON PRESIDENT - TOPICS FOR DISCUSSION  
**TAGS:** PGOV, BF, (CARTER, JIMMY), (PINDLING)  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/23f95751-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009